

business or network which has an Affiliate within the Covenant Area providing programming services with formats other than Alternative Modern Rock, Hard Rock or Adult Hit Radio, and (iii) the ownership of a company's securities listed on a national securities exchange or the National Association of Securities Dealers Automated Quotation System, which constitute less than five percent (5%) of the outstanding voting stock thereof and does not otherwise constitute control over such company.

(b) Seller agrees that in the event that Seller or any Affiliate commits a breach of any of the provisions of this Section 7.6, Buyer shall have the right and remedy to have the provisions of this Section 7.6 specifically enforced to the extent permitted by law by any court having jurisdiction, it being acknowledged and agreed that any such breach or threatened breach will cause immediate irreparable injury to Buyer and that money damages will not provide an adequate remedy at law for any such breach or threatened breach. Such right and remedy shall be in addition to, and not in lieu of, any other rights and remedies available to Buyer at law or in equity.

(c) Buyer and Seller further agree that One Hundred Thousand Dollars (\$100,000) of the Purchase Price shall be allocable to the Noncompetition Agreements to be delivered hereunder.

(d) If any of the provisions of or covenants in this

Section 7.6 are hereafter construed to be invalid or unenforceable in any jurisdiction, the same shall not affect the remainder of the provisions or covenants, or the enforceability thereof in any other jurisdiction, which shall be given full effect, without regard to the invalid portions or the unenforceability in such other jurisdiction. If any of the provisions of or covenants in this Section 7.6 are held to be unenforceable in any jurisdiction because of the duration or scope thereof, the parties agree that the court making such determination shall have the power to reduce the duration and/or scope of such provision or covenant and, in its reduced form, said provision or covenant shall be enforceable; provided, however, that the determination of such court shall not affect the enforceability of this Section 7.6 in any other jurisdiction.

7.7 Confidentiality. Except as necessary for the consummation of the transaction contemplated hereby, including Buyer's obtaining financing related hereto, each party hereto will keep confidential any information which is obtained from the other party in connection with the transaction contemplated hereby and which is not readily available to members of the general public. In the event this Agreement is terminated and the purchase and sale contemplated hereby abandoned, each party will return to the other party all documents, work papers and other written materials obtained by it in connection with the

transaction contemplated hereby. Except as required by applicable law or with the other party's express written consent, no party to the Agreement nor any affiliate of any party shall issue any press release or make a public statement (oral or written) regarding the transactions contemplated by this Agreement.

7.8 Cooperation. Buyer and Seller shall cooperate fully with each other and their respective counsel and accountants in connection with any actions required to be taken as part of their respective obligations under this Agreement, and Buyer and Seller shall execute such other documents as may be necessary and desirable for the implementation and consummation of this Agreement, and otherwise use their best efforts to consummate the transaction contemplated hereby and to fulfill their obligations hereunder. Notwithstanding the foregoing, Buyer shall have no obligation to agree to any adverse change in any FCC License or Assumed Contract in order to obtain a Consent required with respect thereto.

7.9 Risk of Loss. The risk of loss or damage to any of the Assets from fire or other casualty or cause shall be upon Seller at all times prior to the Closing Date, and thereafter shall be on Buyer. In the event of any such loss or damage prior to Closing, Seller shall notify Buyer of same in writing immediately, specifying with particularity the loss or damage

incurred, the cause thereof, if known or reasonably ascertainable, and the extent of insurance coverage, and shall use its reasonable efforts to repair or replace such lost or damaged property to its former condition as soon as possible. If the property is not completely repaired, replaced or restored, to the satisfaction of Buyer on or before the date then set for Closing, Buyer, at its sole option, may by written notice to Seller: (a) postpone the Closing for a period of time (not to exceed sixty (60) days) as is reasonably necessary for Seller to repair, replace or restore the property, and, if necessary, the parties shall join in an application or applications requesting the FCC to extend the effective period of its consent to the Assignment Application; or (b) consummate the transactions contemplated hereby and accept the property as is, in which event Seller shall apply the proceeds payable under Seller's insurance policies covering the property involved for the purpose of restoring, replacing or repairing the licensed facilities. If Buyer elects to proceed under subsection (a) above, and such repairs, replacements or restorations are not completed within sixty (60) days after the original closing date, Buyer may rescind this Agreement and declare it of no further force and effect, with no liability on the part of Seller if Seller has in good faith taken all required steps to comply with its obligations under this Section.

7.10 Broadcast Transmission of Station Prior to Closing

Date. If, prior to the Closing Date, any event occurs which prevents the regular broadcast transmission of Station in the normal and usual manner in which it has heretofore been operating for a period of forty-eight (48) continuous hours or more, Seller shall give telephonic notice thereof to Buyer within twenty-four (24) hours thereafter, followed by written notice to Buyer. Buyer shall be entitled, by giving written notice to Seller, to terminate this Agreement forthwith and without any further obligation hereunder, if: (a) broadcast transmissions (even if not normal and usual transmissions) are not resumed within five (5) days after such telephonic notice to Buyer, or (b) such facilities are not restored to normal and usual transmissions within twenty-one (21) days after such telephonic notice to Buyer; provided, however, that Buyer, if it does not terminate the Agreement hereunder, shall have the right to defer the Closing until normal and usual transmissions are restored.

7.11 Appraisals. Within five (5) business days after the execution of this Agreement, Buyer and Seller shall each commission a separate appraisal of the Assets to determine the value of the Station as a going concern as of the date the Station's renewal application was designated for hearing by the FCC. The appraisals shall follow standard methods for calculating fair market value of broadcast stations, taking into account specific comparable sales, revenues, profits, market

characteristics, management effectiveness, and other relevant factors. Furthermore, the appraisals shall be supported by specific underlying facts and documentation. Buyer and Seller shall each select their own appraiser, provided, however, that such appraisers shall be professional appraisers unaffiliated with either party and having substantial experience in appraising broadcast properties. If the difference of the two appraisals is more than 5% of the average, then the existing appraisers will select a third appraiser who shall submit an appraisal, which shall also be supported by specific underlying facts and documentation. "Fair Market Value" as used in this Agreement shall mean the average of the two (2) or three (3) appraisals conducted, as the case may be.

SECTION 8

CONDITIONS TO OBLIGATIONS OF BUYER AND SELLER

8.1 Conditions to Obligations of Buyer. All obligations of Buyer at the Closing hereunder are subject to the fulfillment prior to and on the Closing Date of each of the following conditions, unless waived in writing by Buyer (except the requirement for the FCC Consent):

(a) FCC Approval. The FCC Consent shall have been given to the Assignment Application, and such FCC Consent shall have become a Final Order.

(b) Representations and Warranties. All representations and warranties of Seller in this Agreement shall be true

and complete in all material respects at and as of the Closing Date, except for changes contemplated by this Agreement, as though such representations and warranties were made at and as of such time.

(c) Covenants and Conditions. Seller shall have in all material respects performed and complied with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(d) Consents. Each of the Consents to Contracts designated with an asterisk on Schedule 3.6 shall have been duly obtained and delivered to Buyer with no adverse change to the terms of the License or Assumed Contract with respect to which such Consent is obtained.

(e) Licenses. Seller shall be the holder of the FCC Licenses, and there shall not have been any modification of any such FCC Licenses which has an adverse effect on the Station or the conduct of its business or operations. Except for MM Docket No. 93-56, no proceeding shall be pending the effect of which would be to revoke, cancel, fail to renew, suspend or modify adversely any of the FCC Licenses.

(f) Deliveries. Seller shall have made or stand willing and able to make all the deliveries to Buyer set forth in Section 9.2.

(g) Adverse Change. Between the date of this

Agreement and the Closing Date, there shall have been no Material Adverse Change in Seller or the Station. A Material Adverse Change is defined as a fifteen percent (15%) decrease in the revenues of the Station calculated on a quarterly basis and from the same quarter the previous year. For the purposes of this Section 8.1(g), each quarter shall consist of three (3) calendar months. The first calculation pursuant to this Section 8.1(g) shall be made on March 31, 1994, and subsequent calculations shall be made at the end of each successive three (3) month period.

(h) Litigation and Insolvency. Except for matters affecting the broadcasting industry generally, and except for MM Docket No. 93-56 and any actions relating thereto, there shall not be any judgment outstanding or proceeding pending that might reasonably result in preventing the consummation of this Agreement or the transactions contemplated hereunder. In addition, no insolvency proceedings of any character including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, against Seller shall be pending, and Seller shall not have taken any action in contemplation of, or which would constitute the basis for, the institution of any such insolvency proceedings.

(i) Releases. Seller shall have received and shall hold in escrow executed UCC-3 termination statements from all

parties who hold a security interest in the Personal Property, except as permitted under this Agreement, and shall deliver a copy of such termination statements to Buyer.

8.2 Conditions to Obligations of Seller. All obligations of Seller at the Closing hereunder are subject to the fulfillment prior to and on the Closing Date of each of the following conditions, each of which may be waived in writing by Seller (except the requirement for the FCC Consent).

(a) FCC Approval. The FCC Consent shall have been given to the Assignment Application, and such FCC Consent shall be a Final Order provided, however, that the condition of a Final Order may be waived by mutual agreement of Buyer and Seller.

(b) Representations and Warranties. All representations and warranties of Buyer contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date, except for changes contemplated by this Agreement, as though such representations and warranties were made at and as of such time.

(c) Covenants and Conditions. Buyer shall have in all materials respects performed and complied with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(d) Deliveries. Buyer shall have made or stand

willing and able to make all the deliveries set forth in Section 9.3.

(e) Litigation and Insolvency. There shall not be any judgment outstanding or proceeding pending that might reasonably result in preventing the consummation of this Agreement or the transactions contemplated hereunder. In addition, no insolvency proceedings of any character including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, against Buyer shall be pending, and Buyer shall not have taken any action in contemplation of, or which would constitute the basis for, the institution of any such insolvency proceedings.

SECTION 9

CLOSING AND CLOSING DELIVERIES

9.1 Closing. Unless otherwise mutually agreed by Buyer and Seller, the Closing shall take place at 10:00 a.m. on the date five (5) business days following the date upon which the FCC Consent has become a Final Order (the "Closing Date"), provided, however, that this condition may be waived by mutual agreement of Buyer and Seller. Closing shall be held at the offices of Winder & Haslam, Salt Lake City, Utah.

9.2 Deliveries by Seller. Prior to or on the Closing Date, Seller shall deliver or make available to Buyer the following, in form and substance reasonably satisfactory to

Buyer and its counsel:

(a) Transfer Documents. Duly executed transfer documents sufficient to vest good and marketable title to the Assets in the name of Buyer or its permitted assignees, free and clear of any claims, liabilities, mortgages, liens, pledges, conditions, charges or encumbrances of any nature whatsoever (except those permitted in accordance with Sections 2.6 and 3.5 hereof), including, without limitation: (i) one or more bills of sale conveying to Buyer all of the Personal Property to be acquired by Buyer hereunder; (ii) an assignment assigning to Buyer the Licenses; and (iii) an assignment assigning to Buyer the contracts, leases and agreements to be assigned to Buyer hereunder;

(b) Consents. Copies or originals of each Consent obtained by Seller;

(c) Officer's Certificate. A certificate, dated as of the Closing Date, executed by the President or Vice President of Seller, certifying: (i) that the representations and warranties of Seller contained in this Agreement are true and complete in all material respects as of the Closing Date, except for changes contemplated by this Agreement, as though made on and as of that date; and (ii) that Seller has, in all material respects, performed all of its obligations and

complied with all of its covenants set forth in this Agreement to be performed and complied with prior to or on the Closing Date;

(d) Secretary's Certificate. A certificate dated as of the Closing Date, executed by Seller's Secretary: (i) certifying that the resolutions, as attached to such certificate, were duly adopted by Seller's Board of Directors and shareholders (if required), authorizing and approving the execution of this Agreement and the consummation of the transactions contemplated hereby and that such resolutions remain in full force and effect; and (ii) providing, as attachments thereto, Seller's Articles of Incorporation and a Certificate of Good Standing certified by an appropriate Delaware state official, all certified by such state officials as of a date not more than fifteen (15) days before the Closing Date and by Seller's secretary as of the Closing Date, and a copy of Seller's Bylaws as in effect on the date hereof, certified by Seller's secretary as of the Closing Date;

(e) Licenses, Contracts, Business Records, Etc. Copies of all Licenses, Assumed Contracts, and other books and records, including all records required by the FCC to be kept, and Seller's documents, computer discs and tapes setting forth technical information and data, machinery and equipment warranties, maps, plans, computer programs, diagrams, blueprints and schematics relating to the operation of the Station, but

excluding the corporate records of Seller;

(f) Noncompetition Agreements by Affiliates. Non-competition Agreements containing the provisions set forth in Section 7.7 and duly executed by Seller's Affiliates;

(g) Opinions of Counsel. Opinions of Seller's counsel and communications counsel dated as of the Closing Date, substantially in the form of Schedule 9.2(g); and

(h) Consulting Agreement. Consulting Agreement in substantially the form attached as Exhibit "B" duly executed by Seller's affiliate.

9.3 Deliveries by Buyer. Prior to or on the Closing Date, Buyer shall deliver to Seller the following, in form and substance reasonably satisfactory to Seller and its counsel:

(a) Purchase Price. The Purchase Price less the amount to be placed in the Indemnification Fund pursuant to Section 11.5 hereof, by wire transfer of immediately available federal funds to such accounts as are designated by Seller in written instructions to Buyer;

(b) Assumption Agreements. Appropriate assumption agreements pursuant to which Buyer shall assume and undertake to perform Seller's obligations under the Licenses and Assumed Contracts arising on or after the Closing Date;

(c) Officer's Certificate. A certificate, dated as of the Closing Date, executed by the President or Vice President of Buyer, certifying (i) that the representations and

warranties of Buyer contained in this Agreement are true and complete in all material respects as of the Closing Date, except for changes contemplated by this Agreement, as though made on and as of that date, and (ii) that Buyer has, in all material respects, performed all of its obligations and complied with all of its covenants set forth in this Agreement to be performed or complied with on or prior to the Closing Date;

(d) Secretary's Certificate. A certificate, dated as of the Closing Date, executed by Buyer's Secretary: (i) certifying that the resolutions, as attached to such certificate, were duly adopted by Buyer's Board of Directors, authorizing and approving the execution of this Agreement and the consummation of the transaction contemplated hereby and that such resolutions remain in full force and effect; and (ii) providing, as attachments thereto, Buyer's Articles of Incorporation and a Certificate of Good Standing certified by an appropriate Utah state official, certified by such state officials as of a date not more than fifteen (15) days before the Closing Date and by Seller's Secretary as of the Closing Date, and a copy of Seller's Bylaws as in effect on the date hereof, certified by Seller's Secretary as of the Closing Date;

(e) Opinion of Counsel. An opinion of Buyer's counsel and communications counsel dated as of the Closing Date, substantially in the form of Schedule 9.4(e); and

(f) Consulting Agreement. Consulting Agreement in

substantially the form attached as Exhibit "B" duly executed by Buyer.

SECTION 10

RIGHTS OF BUYER AND SELLER ON TERMINATION OR BREACH

10.1 Termination Rights. This Agreement may be terminated by either Buyer or Seller, if the terminating party is not then in breach of any material provision of this Agreement, upon written notice to the other party, upon the occurrence of any of the following:

(a) If on the Closing Date (i) any of the conditions precedent to the obligations of the terminating party set forth in Section 8 of this Agreement shall not have been materially satisfied, and (ii) satisfaction of such condition shall not have been waived by the terminating party;

(b) If the application for FCC Consent shall have been denied or set for hearing by the FCC for any reason or not been given within 180 days of the execution of this Agreement;

(c) If the Closing has not occurred by November 30, 1994; or

Upon termination: (i) if neither party hereto is in breach of any material provision of this Agreement, the parties hereto shall not have any further liability to each other; (ii) in the event Seller fails to close this Agreement under circumstances that would constitute a material breach of its representations, warranties and covenants hereunder, or the failure

to satisfy a closing condition set forth in Sections 8 and 9, and the Buyer shall not then be in material default in the performance of its obligations hereunder, Buyer shall have the rights and remedies provided in Section 10.2 or otherwise available at law or equity; or (c) in the event Buyer fails to close this Agreement under circumstances that would constitute a material breach of its representations, warranties and covenants hereunder, or the failure to satisfy a closing condition set forth in Sections 8 and 9, and Seller shall not then be in material default in the performance of their obligations thereunder, Seller shall have all rights and remedies available at law or equity, including but not limited to recovery for attorney's fees.

10.2 Specific Performance. The parties recognize that in the event Seller should refuse to perform under the provisions of this Agreement, monetary damages alone will not be adequate. Buyer shall have the right to obtain specific performance of the terms of this Agreement, or in lieu thereof, Buyer shall be entitled to monetary damages and any other remedies which may be available. In the event of any action to enforce this Agreement, Seller hereby waives the defense that there is an adequate remedy at law. In the event of a lawsuit by Buyer for specific performance, Buyer, if it prevails, shall be entitled to reimbursement by Seller of reasonable legal fees and expenses incurred by Buyer.

10.3 Seller shall, in addition to the rights provided by Section 10.1 hereof, have the right to terminate this Agreement if it is determined that seventy-five percent (75%) of the appraised fair market value of the Assets of the Station is less than One Million Nine Hundred Thousand Dollars (\$1,900,000.00).

10.4 Seller's Remedies. Buyer recognizes that if the transactions contemplated by this Agreement are not consummated as a result of Buyer's breach or default, Seller would be entitled to compensation, the extent of which is extremely difficult and impractical to ascertain. The parties therefore agree that if this Agreement is terminated or otherwise not consummated as a result of Buyer's material breach of or default under this Agreement, Seller shall be entitled to liquidated damages in the amount of the Escrow Deposit, i.e., One Hundred Thousand Dollars (\$100,000.00), together with all interest earned thereon from the date of demand by Seller for payment until payment is made in full, plus reasonable attorneys' fees, expenses and court and other costs incurred by Seller in enforcing its rights hereunder, in full settlement of any damages of any nature or kind that Seller may suffer or allege to suffer as the result of any such breach or default by Buyer. It is understood and agreed that the amount of liquidated damages represents Buyer's and Seller's reasonable estimate of actual damages and does not constitute a penalty.

The parties agree that failure to obtain the FCC Consent shall not be an event of default requiring payment to Seller of any liquidated damages, provided that Buyer is not otherwise in breach or default of this Agreement.

SECTION 11

SURVIVAL OF REPRESENTATIONS, WARRANTIES AND COVENANTS, AND INDEMNIFICATION

11.1 Representations, Warranties, Etc. All representations, warranties and covenants contained in this Agreement shall be deemed continuing representations, warranties and covenants, and shall survive the Closing Date for a period of five (5) years; provided, however, that the representations and warranties in Section 3.5 as to the operating condition of the Personal Property shall not survive the Closing Date. Any investigations by or on behalf of any party hereto shall not constitute a waiver to enforcement of any representation, warranty or covenant contained herein.

11.2 Notice and Cure. In the event of a material breach or default in the performance of any of the covenants, obligations or agreements contained in this Agreement, the non-defaulting party shall give written notice of the specific nature of such breach or default to the defaulting party who shall then have thirty (30) days within which to cure the default or breach.

11.3 Indemnification by Seller. Notwithstanding the Closing, and regardless of any investigation made at any time

by or on behalf of Buyer or any information Buyer may have, Seller shall indemnify and hold Buyer harmless against and with respect to, and shall reimburse Buyer for:

(a) Any and all losses, liabilities or damages resulting from any untrue representation, breach of warranty or nonfulfillment of any covenant by Seller contained herein or in any certificate, document or instrument delivered to Buyer hereunder;

(b) Any and all obligations of Seller not assumed by Buyer pursuant to the terms hereof;

(c) Any and all losses, liabilities or damages resulting from Seller's operation or ownership of the Station prior to 12:01 a.m. on the Closing Date, including any and all liabilities arising under the Licenses or the Assumed Contracts which relate to events occurring prior to 12:01 a.m. on the Closing Date; and

(d) Any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including reasonable legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

11.4 Indemnification by Buyer. Notwithstanding the Closing, and regardless of any investigation made at any time by or on behalf of Seller or any information Seller may have,

Buyer shall indemnify and hold harmless Seller against and with respect to, and shall reimburse Seller for:

(a) Any and all losses, liabilities or damages resulting from any untrue representation, breach of warranty or nonfulfillment of any covenant by Buyer contained herein or in any certificate, document or instrument delivered to Seller hereunder;

(b) Any and all losses, liabilities or damages resulting from Buyer's operation or ownership of the Station on and after 12:01 a.m. on the Closing Date, including any and all liabilities arising under the Licenses or the Assumed Contracts which relate to events occurring after 12:01 a.m. on the Closing Date; and

(c) Any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including reasonable legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

11.5 Procedure for Indemnification. The procedure for indemnification shall be as follows;

(a) The party claiming indemnification (the "Claimant") shall promptly give notice to the party from whom indemnification is claimed (the "Indemnifying Party") of any claim, whether between the parties or brought by a third party,

specifying (i) the factual basis for such claim, and (ii) the amount of the claim. If the claim relates to an action, suit or proceeding filed by a third party against Claimant, such notice shall be given by Claimant within five (5) days after written notice of such action, suit or proceeding is given to Claimant.

(b) Following receipt of notice from the Claimant of a claim, the Indemnifying Party shall have thirty (30) days to make such investigation of the claim as the Indemnifying Party deems necessary or desirable. For the purpose of such investigation, the Claimant agrees to make available to the Indemnifying Party and/or its authorized representative(s) the information relied upon by the Claimant to substantiate the claim. If the Claimant and the Indemnifying Party agree at or prior to the expiration of said thirty (30) day period (or any mutually agreed upon extension thereof) to the validity and amount of such claim, the Indemnifying Party shall immediately pay to the Claimant the full amount of the claim. If the Claimant and the Indemnifying Party do not agree within said period (or any mutually agreed upon extension thereof), the Claimant may seek appropriate legal remedy.

(c) With respect to any claim by a third party as to which the Claimant is entitled to indemnification hereunder, the Indemnifying Party shall have the right at its own expense, to participate in or assume control of the defense of such

claim, and the Claimant shall cooperate fully with the Indemnifying Party, subject to reimbursement for actual out-of-pocket expenses incurred by the Claimant as the result of a request by the Indemnifying Party. If the Indemnifying Party elects to assume control of the defense of any third-party claim, the Claimant shall have the right to participate in the defense of such claim at its own expense.

(d) If a claim, whether between the parties or by a third party, requires immediate action, the parties will make every effort to reach a decision with respect thereto as expeditiously as possible.

(e) If the Indemnifying Party does not elect to assume control or otherwise participate in the defense of any third party claim, it shall be bound by the results obtained by the Claimant with respect to such claim.

(f) The indemnification rights provided in Sections 11.2 and 11.3 shall extend to the shareholders, directors, officers, employees and representatives of the Claimant, although for the purpose of the procedures set forth in this Section 11.4, any indemnification claims by such parties shall be made by and through the Claimant.

11.6 Indemnification Fund. On the date hereof, Buyer, Seller and Escrow Agent are executing a deposit and indemnification fund agreement (the "Indemnification Fund Agreement"), attached hereto as Appendix A, in accordance with which at

Closing Two Hundred Fifty Thousand Dollars (\$250,000) (the "Indemnification Fund") of the Purchase Price shall be placed in escrow in accordance with the Indemnification Fund Agreement to provide a fund for the payment of any claims for which Buyer may be entitled to indemnification as provided in this Section 11. If Buyer's claims for indemnification exceed the Indemnification Fund together with any earnings thereon, Seller and its successors and assigns shall remain liable for any such excess.

11.7 Bulk Sales Law. Buyer waives compliance by Seller with the requirements of any applicable bulk sales or transfer law, and Seller agrees to indemnify and hold harmless Buyer from and against any liability arising out of the failure of Seller to comply with the provisions of any such laws.

11.8 Limitations. Neither Seller nor Buyer shall have any obligation to the other party for any matter described in Section 11.2 or Section 11.3, as the case may be, except upon compliance by the other party with the provisions of this Section 11, particularly Section 11.4. Indemnity shall be due only to the extent of the loss or damage actually suffered, reduced by any recovery from any insurer or other third party. Neither party shall be required to indemnify the other party under this Section 11 for any breach of any representation or warranty contained in this Agreement unless written notice of a claim under this Section 11 was received by the party within

the survival period specified in Section 11.1 of this Agreement and unless and to the extent that the aggregate amount of all claims against the party for breaches of its representations and warranties exceeds Ten Thousand Dollars (\$10,000).

SECTION 12

MISCELLANEOUS

12.1 Notices. All notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) delivered by personal delivery, or sent by commercial delivery service or registered or certified mail, return receipt requested, (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and (d) addressed as follows:

If to Seller:

Chestnut Broadcasting, Inc.
101 W. Grand
Chicago, Illinois 60610

with a copy
(which shall
not constitute
notice) to:

Meredith S. Senter, Jr., Esq.
Leventhal, Senter & Lerman
2000 K Street, N.W., Suite 600
Washington, D.C. 20006

If to Buyer:

Michael S. Naumu
Hekili Broadcasting Company
1085 East 900 South
Salt Lake City, Utah 84105

with a copy
(which shall
not constitute
notice) to:

Dennis V. Haslam, Esq.
WINDER & HASLAM, P.C.
175 West 200 South, #4000
Salt Lake City, UT 84101

or to any other such or additional persons and addresses as the parties may from time to time designate in writing delivered in accordance with this Section 12.1

12.2 Benefit and Binding Effect. Neither party hereto may assign this Agreement without the prior written consent of the other party hereto, except that Buyer, without the prior written consent of Seller, may assign its rights and obligations under this Agreement to any entity controlled by or under common control directly or indirectly with Buyer (but such assignment shall not relieve Buyer of its obligations hereunder). This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

12.3 Governing Law. This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Utah.

12.4 Headings. The headings herein are included for ease of reference only and shall not control or affect the meaning or construction of the provisions of this Agreement.

12.5 Gender and Number. Words used herein, regardless of the gender and number specifically used, shall be deemed and construed to include any other gender, masculine, feminine or neuter, and any other number, singular or plural, as the context requires.

12.6 Entire Agreement. This Agreement, all schedules